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Federal Tax Burden by State 1991

by Paul G. Merski and Gregory S. Leong

The federal tax burden in FY1991 will increase 6.1 percent nationwide over FY1990's level. Federal taxes will hit a record $1,060.7 billion, as compared to last year's take of $999.5 billion, according to a detailed analysis of the proposals in the FY1992 budget. Individual taxpayers will absorb $26 billion of this increase in higher income tax payments, up 5.5 percent from last year.

"Individual taxpayers will absorb $26 billion of this increase, up 5.5 percent from last year."

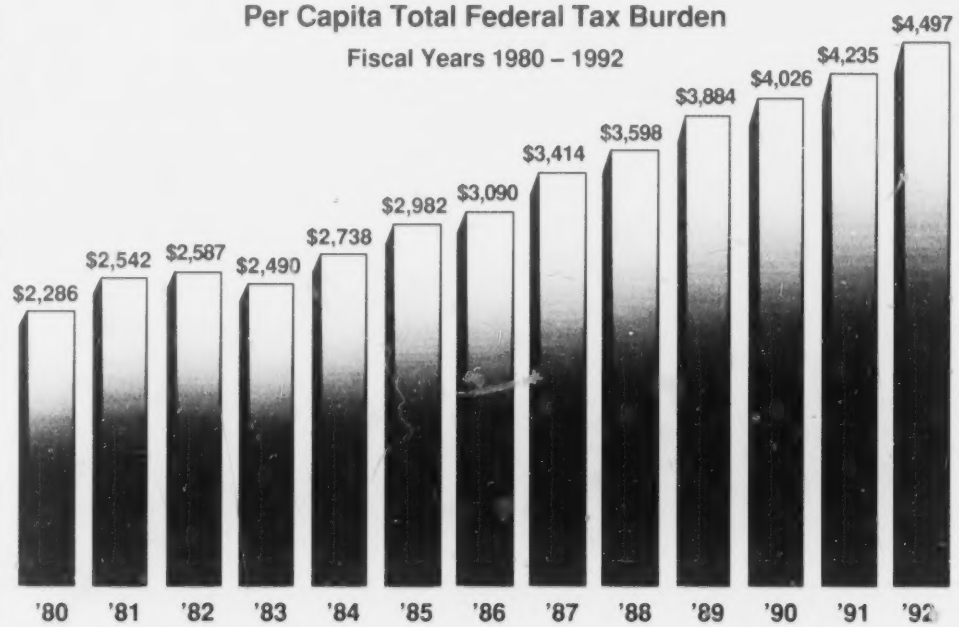
What Is Each State's Share of the Federal Tax Burden?

While the Federal Budget details tax revenues at aggregate levels, it is of economic interest to examine the specific tax impact on the residents of the fifty states and the District of Columbia. Information on the amount of federal taxes collected in each state is published by the Internal Revenue Service (IRS). Unfortunately, the data

Figure 1

Per Capita Total Federal Tax Burden

Fiscal Years 1980 – 1992



Source: Tax Foundation

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are not designed to reveal the geographic origin of the taxes but instead merely reflect the location of the IRS office where the taxes are paid. From an economic standpoint, it is important to know more about the location of the tax burden than just the collection site.

The Tax Foundation, in cooperation with other organizations, has

Table 1
Total Tax Burden by State
Fiscal Years 1990-1992
($Millions)

State	Total Burden			Federal Funds Burden [1]		
	1990	1991	1992	1990	1991	1992
U.S. Total	$999,473	$1,060,673	$1,136,542	$604,306	$639,510	$686,355
Alabama	11,877	12,634	13,532	6,809	7,213	7,740
Alaska	2,841	3,006	3,224	1,583	1,675	1,798
Arizona	12,079	12,837	13,750	7,315	7,744	8,309
Arkansas	6,568	6,991	7,486	3,552	3,762	4,035
California	132,189	140,271	150,327	80,834	85,567	91,856
Colorado	12,684	13,463	14,425	7,604	8,050	8,638
Connecticut	20,728	21,970	23,548	13,523	14,296	15,348
Delaware	3,276	3,475	3,723	1,797	1,902	2,041
Florida	52,191	55,380	59,337	34,720	36,711	39,395
Georgia	22,744	24,183	25,903	13,520	14,313	15,360
Hawaii	4,600	4,879	5,228	2,787	2,950	3,166
Idaho	2,883	3,064	3,282	1,585	1,680	1,802
Illinois	52,589	55,743	59,747	32,239	34,107	36,608
Indiana	19,457	20,675	22,146	11,663	12,344	13,247
Iowa	9,586	10,180	10,905	5,502	5,823	6,248
Kansas	9,234	9,804	10,502	5,451	5,766	6,187
Kentucky	10,779	11,460	12,275	6,233	6,601	7,082
Louisiana	12,057	12,814	13,727	6,802	7,208	7,733
Maine	4,221	4,484	4,804	2,515	2,663	2,858
Maryland	22,893	24,296	26,030	14,073	14,887	15,979
Massachusetts	30,446	32,280	34,597	19,036	20,138	21,616
Michigan	37,674	39,936	42,803	22,066	23,353	25,062
Minnesota	17,545	18,614	19,943	10,077	10,664	11,444
Mississippi	6,020	6,416	6,869	3,312	3,511	3,767
Missouri	18,671	19,839	21,249	11,108	11,754	12,613
Montana	2,425	2,579	2,762	1,366	1,446	1,552
Nebraska	5,529	5,876	6,292	3,173	3,358	3,603
Nevada	5,232	5,552	5,953	3,500	3,705	3,978
New Hampshire	5,278	5,604	6,004	3,365	3,562	3,823
New Jersey	46,055	48,798	52,304	28,328	29,956	32,155
New Mexico	4,282	4,557	4,880	2,415	2,558	2,745
New York	88,884	94,230	100,974	54,904	58,063	62,323
North Carolina	21,914	23,303	24,961	12,874	13,637	14,635
North Dakota	1,981	2,107	2,256	1,131	1,198	1,285
Ohio	40,814	43,309	46,404	23,698	25,082	26,918
Oklahoma	9,836	10,457	11,202	5,678	6,011	6,451
Oregon	10,131	10,751	11,523	5,728	6,067	6,511
Pennsylvania	48,353	51,264	54,939	28,738	30,402	32,625
Rhode Island	4,307	4,566	4,893	2,555	2,705	2,903
South Carolina	10,025	10,662	11,420	5,667	6,008	6,447
South Dakota	2,065	2,198	2,354	1,196	1,266	1,358
Tennessee	16,167	17,184	18,408	9,649	10,216	10,964
Texas	60,804	64,528	69,155	37,044	39,205	42,077
Utah	4,597	4,887	5,234	2,589	2,742	2,942
Vermont	2,109	2,239	2,400	1,281	1,356	1,456
Virginia	25,614	27,204	29,144	15,919	16,843	18,077
Washington	19,516	20,696	22,186	11,751	12,443	13,356
West Virginia	4,752	5,054	5,413	2,698	2,859	3,067
Wisconsin	18,145	19,249	20,628	10,468	11,083	11,893
Wyoming	1,601	1,705	1,827	946	1,001	1,074
Dist. of Columbia	3,207	3,401	3,645	2,006	2,123	2,279

[1] Excluding trust fund taxes.

Source: Computations of total tax burden by state by Tax Foundation, based on Fiscal Year 1992 Budget of the U.S.

Table 2
Per Capita Tax Burden by State
Fiscal Years 1990-1992

State	Per Capita Burden			State Rank '91	
	1990	1991	1992	Total Taxes	Per Capita
U.S. Total	$4,026	$4,235	$4,497	—	—
Alabama	2,896	3,066	3,269	25	43
Alaska	5,289	5,442	5,676	46	5
Arizona	3,333	3,446	3,590	23	37
Arkansas	2,751	2,924	3,127	32	47
California	4,494	4,670	4,902	1	12
Colorado	3,806	3,985	4,213	22	22
Connecticut	6,436	6,801	7,267	15	1
Delaware	4,851	5,085	5,382	43	8
Florida	4,045	4,177	4,357	5	20
Georgia	3,507	3,669	3,866	13	31
Hawaii	4,115	4,304	4,549	39	16
Idaho	2,851	3,010	3,204	45	44
Illinois	4,547	4,816	5,158	4	10
Indiana	3,507	3,724	3,987	17	28
Iowa	3,419	3,646	3,922	30	32
Kansas	3,688	3,895	4,151	31	25
Kentucky	2,916	3,099	3,317	26	41
Louisiana	2,785	2,970	3,192	24	46
Maine	3,458	3,646	3,877	42	33
Maryland	4,870	5,116	5,426	12	7
Massachusetts	5,185	5,487	5,870	10	4
Michigan	4,104	4,356	4,674	9	15
Minnesota	4,043	4,265	4,543	20	19
Mississippi	2,311	2,456	2,622	33	51
Missouri	3,637	3,850	4,108	18	26
Montana	3,031	3,221	3,445	47	40
Nebraska	3,457	3,669	3,924	34	30
Nevada	4,592	4,709	4,879	36	11
New Hampshire	4,722	4,921	5,176	35	9
New Jersey	5,982	6,314	6,741	7	2
New Mexico	2,783	2,915	3,073	41	48
New York	4,991	5,285	5,658	2	6
North Carolina	3,329	3,503	3,712	14	35
North Dakota	3,029	3,221	3,451	50	39
Ohio	3,776	4,008	4,296	8	21
Oklahoma	3,061	3,236	3,448	29	38
Oregon	3,603	3,800	4,048	27	27
Pennsylvania	4,051	4,294	4,601	6	17
Rhode Island	4,335	4,576	4,883	40	13
South Carolina	2,847	2,994	3,171	28	45
South Dakota	2,903	3,078	3,282	49	42
Tennessee	3,280	3,464	3,686	21	36
Texas	3,547	3,697	3,893	3	29
Utah	2,675	2,800	2,954	38	49
Vermont	3,716	3,906	4,146	48	24
Virginia	4,183	4,387	4,640	11	14
Washington	4,078	4,265	4,509	16	18
West Virginia	2,599	2,782	3,000	37	50
Wisconsin	3,753	3,972	4,247	19	23
Wyoming	3,402	3,623	3,882	51	34
Dist. of Columbia	5,396	5,764	6,223	44	3

Source: Computations of total and per capita tax burden by state made by the Tax Foundation, based on Fiscal Year 1992 Budget of the U.S.

developed a special allocation methodology which does pinpoint the geographic origin of federal taxes to show where the burden of these taxes is actually borne. This state-by-state allocation shows the approximate tax cost of the new federal budget for each state and helps to answer several important fiscal questions:

- Does the burden of federal taxes weigh more heavily in some states than in others?
- Do certain types of federal taxes impose a greater burden on the residents of one state over another?[1]
- How do the federal taxes paid by the people in a particular region compare with actual benefits they receive from federal expenditures?
- How do federal financial operations affect the net flow of funds among states?
- What will be the approximate cost to the residents of any state resulting from a federal tax increase or the institution of a new federal program?

The State-by-State Picture

The Tax Foundation's state-by-state distribution of the federal tax burden, both federal funds (excluding trust fund taxes) and total taxes (including trust fund taxes) is given in Table 1. In 1991, for example, the state of California will generate 13 percent or $140 billion of

Figure 2
Per Capita Total Federal Tax Burden by State
Fiscal Year 1991

Source: Tax Foundation

[1] Additional information on tax burden by type of tax and state is available from the Tax Foundation.

the estimated $1.06 trillion in total federal taxes. By comparison, residents of Wyoming will pay .16 percent or $1.7 billion of the 1991 federal tax bill.

Per Capita Tax Burden

The national per capita federal tax burden will rise $209 to $4,235 in FY1991, and each state's per capita federal tax burden is shown in Table 2

Table 3

Total Federal Tax Burden Per Capita by State

Fiscal Years 1982-1992

State	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
U.S. Total	$2,587	$2,490	$2,738	$2,982	$3,090	$3,414	$3,598	$3,884	$4,026	$4,235	$4,497
Alabama	1,929	1,819	2,094	2,234	2,311	2,505	2,622	2,821	2,896	3,066	3,269
Alaska	4,007	4,173	4,340	4,676	4,377	4,358	4,163	4,667	5,289	5,442	5,676
Arizona	2,328	2,198	2,365	2,590	2,725	2,991	3,142	3,309	3,333	3,446	3,590
Arkansas	1,798	1,714	1,960	2,148	2,136	2,371	2,446	2,655	2,751	2,924	3,127
California	2,885	2,742	3,012	3,324	3,422	3,806	4,006	4,331	4,494	4,670	4,902
Colorado	2,747	2,773	2,911	3,115	3,210	3,406	3,447	3,660	3,806	3,985	4,213
Connecticut	3,476	3,396	3,807	4,215	4,485	5,124	5,575	6,252	6,436	6,801	7,267
Delaware	2,852	2,801	3,050	3,239	3,590	3,890	4,283	4,629	4,851	5,085	5,382
Florida	2,477	2,388	2,630	2,927	3,031	3,409	3,692	3,908	4,045	4,177	4,357
Georgia	2,096	2,046	2,325	2,613	2,678	3,029	3,203	3,424	3,507	3,669	3,866
Hawaii	2,622	2,492	2,694	2,819	2,878	3,206	3,414	3,781	4,115	4,304	4,549
Idaho	1,987	1,856	2,056	2,108	2,295	2,428	2,509	2,698	2,851	3,010	3,204
Illinois	3,029	2,860	3,045	3,343	3,425	3,789	3,986	4,375	4,547	4,816	5,158
Indiana	2,455	2,296	2,517	2,698	2,771	3,012	3,186	3,409	3,507	3,724	3,987
Iowa	2,546	2,265	2,498	2,765	2,644	2,887	3,052	3,261	3,419	3,646	3,922
Kansas	2,658	2,609	2,859	3,063	3,039	3,349	3,382	3,623	3,688	3,895	4,151
Kentucky	1,977	1,898	2,100	2,250	2,248	2,435	2,612	2,783	2,916	3,099	3,317
Louisiana	2,360	2,344	2,439	2,685	2,530	2,564	2,520	2,725	2,785	2,970	3,192
Maine	1,950	1,910	2,174	2,356	2,429	2,769	3,095	3,358	3,458	3,646	3,877
Maryland	2,909	2,825	3,131	3,475	3,791	4,079	4,325	4,694	4,870	5,116	5,426
Massachusetts	2,755	2,750	3,175	3,537	3,731	4,254	4,668	5,149	5,185	5,487	5,870
Michigan	2,621	2,412	2,708	2,872	3,154	3,609	3,716	3,966	4,104	4,356	4,674
Minnesota	2,623	2,448	2,735	2,977	3,058	3,412	3,690	3,902	4,043	4,265	4,543
Mississippi	1,671	1,630	1,777	1,885	1,862	2,024	2,096	2,276	2,311	2,456	2,622
Missouri	2,374	2,278	2,594	2,814	2,941	3,202	3,380	3,544	3,637	3,850	4,108
Montana	2,331	2,138	2,364	2,452	2,401	2,621	2,634	2,807	3,031	3,221	3,445
Nebraska	2,487	2,251	2,515	2,751	2,786	2,980	3,114	3,277	3,457	3,669	3,924
Nevada	2,917	2,690	2,866	3,119	3,241	3,624	3,838	4,159	4,592	4,709	4,879
New Hampshire	2,533	2,477	2,855	3,135	3,414	3,888	4,356	4,703	4,722	4,921	5,176
New Jersey	3,218	3,164	3,624	3,966	4,202	4,811	5,252	5,780	5,982	6,314	6,741
New Mexico	2,011	2,007	2,180	2,364	2,354	2,538	2,553	2,719	2,783	2,915	3,073
New York	2,774	2,734	3,056	3,383	3,602	4,083	4,360	4,779	4,991	5,285	5,658
North Carolina	2,025	1,919	2,199	2,450	2,521	2,800	2,989	3,237	3,329	3,503	3,712
North Dakota	2,504	2,333	2,706	2,759	2,591	2,763	2,831	2,862	3,029	3,221	3,451
Ohio	2,581	2,412	2,660	2,851	2,986	3,284	3,449	3,689	3,776	4,008	4,296
Oklahoma	2,433	2,525	2,544	2,732	2,716	2,853	2,788	2,959	3,061	3,236	3,448
Oregon	2,468	2,249	2,472	2,542	2,708	2,982	3,165	3,423	3,603	3,800	4,048
Pennsylvania	2,565	2,471	2,712	2,889	3,066	3,365	3,592	3,873	4,051	4,294	4,601
Rhode Island	2,571	2,402	2,777	3,016	3,150	3,508	3,853	4,193	4,335	4,576	4,883
South Carolina	1,861	1,797	2,014	2,212	2,220	2,472	2,636	2,843	2,847	2,994	3,171
South Dakota	2,045	1,911	2,117	2,329	2,230	2,443	2,583	2,709	2,903	3,078	3,282
Tennessee	2,090	1,967	2,278	2,431	2,501	2,754	2,960	3,183	3,280	3,464	3,686
Texas	2,732	2,722	2,813	3,115	3,123	3,235	3,194	3,410	3,547	3,697	3,893
Utah	1,928	1,869	2,000	2,145	2,181	2,323	2,392	2,568	2,675	2,800	2,954
Vermont	2,058	2,039	2,246	2,394	2,567	2,942	3,209	3,511	3,716	3,906	4,146
Virginia	2,545	2,516	2,822	3,042	3,158	3,514	3,748	4,052	4,183	4,387	4,640
Washington	2,938	2,738	2,901	2,972	3,076	3,460	3,575	3,886	4,078	4,265	4,509
West Virginia	2,033	1,947	2,095	2,128	2,140	2,330	2,395	2,541	2,599	2,782	3,000
Wisconsin	2,375	2,317	2,545	2,735	2,811	3,144	3,310	3,529	3,753	3,972	4,247
Wyoming	3,043	2,931	2,889	2,854	2,978	3,014	2,880	3,189	3,402	3,623	3,882
Dist. of Columbia	3,422	3,290	3,799	4,170	4,270	4,757	4,995	5,292	5,396	5,764	6,223

Source: Total U.S. taxes as shown in the Budget of the U. S. Government for Fiscal Years 1982 through 1992. Computations of per capita tax burden by state were made by the Tax Foundation.

and Figure 2. Ranked from highest to lowest, the residents of the following nine states and the District of Columbia pay the most:

Connecticut	$6,801	New York	$5,285
New Jersey	6,314	Maryland	5,116
D.C.	5,764	Delaware	5,085
Massachusetts	5,487	New Hampshire	4,921
Alaska	5,442	Illinois	4,816

Table 4
Total Federal Tax Burden by State
Fiscal Years 1982-1992
($Millions)

State	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
U.S. Total	$597,472	$580,619	$645,043	$709,400	$744,578	$830,536	$884,364	$963,376	$999,473	$1,060,673	$1,136,542
Alabama	7,583	7,204	8,276	8,996	9,340	10,209	10,775	11,636	11,877	12,634	13,532
Alaska	1,679	1,882	2,266	2,355	2,394	2,419	2,269	2,518	2,841	3,006	3,224
Arizona	6,612	6,391	7,257	8,271	8,944	10,209	10,964	11,867	12,079	12,837	13,750
Arkansas	4,137	3,929	4,557	5,011	5,038	5,633	5,852	6,372	6,568	6,991	7,486
California	70,717	68,758	77,503	86,183	92,012	104,606	113,203	125,050	132,189	140,271	150,327
Colorado	8,271	8,587	9,450	10,178	10,588	11,322	11,564	12,257	12,684	13,463	14,425
Connecticut	10,945	10,754	11,873	13,282	14,281	16,402	17,979	20,295	20,728	21,970	23,548
Delaware	1,711	1,692	1,845	1,994	2,251	2,486	2,788	3,090	3,276	3,475	3,723
Florida	25,896	25,429	29,189	33,177	35,440	40,820	45,687	49,468	52,191	55,380	59,337
Georgia	11,819	11,658	13,523	15,395	16,266	18,782	20,286	22,075	22,744	24,183	25,903
Hawaii	2,596	2,502	2,813	2,974	3,082	3,449	3,755	4,211	4,600	4,879	5,228
Idaho	1,924	1,804	2,062	2,179	2,332	2,455	2,521	2,723	2,883	3,064	3,282
Illinois	34,788	32,758	34,703	38,475	39,545	43,850	46,237	50,894	52,589	55,743	59,747
Indiana	13,386	12,544	13,620	14,915	15,229	16,590	17,634	18,959	19,457	20,675	22,146
Iowa	7,358	6,572	7,164	8,078	7,605	8,208	8,613	9,210	9,586	10,180	10,905
Kansas	6,364	6,321	6,954	7,480	7,491	8,285	8,424	9,090	9,234	9,804	10,502
Kentucky	7,239	6,962	7,770	8,502	8,396	9,108	9,755	10,391	10,779	11,460	12,275
Louisiana	10,313	10,348	11,023	11,522	11,336	11,560	11,240	11,993	12,057	12,184	13,727
Maine	2,219	2,167	2,489	2,752	2,845	3,268	3,702	4,076	4,221	4,484	4,804
Maryland	12,478	12,093	13,477	15,193	16,764	18,351	19,810	21,913	22,893	24,296	26,030
Massachusetts	15,960	15,931	18,155	20,451	21,764	24,874	27,402	30,403	30,446	32,280	34,597
Michigan	24,032	21,850	24,014	26,213	28,534	32,959	34,147	36,626	37,674	39,936	42,803
Minnesota	10,761	10,161	11,307	12,487	12,880	14,450	15,751	16,906	17,545	18,614	19,943
Mississippi	4,238	4,172	4,610	4,948	4,896	5,345	5,531	5,988	6,020	6,416	6,869
Missouri	11,762	11,303	12,820	14,124	14,838	16,292	17,333	18,307	18,671	19,839	21,249
Montana	1,855	1,723	1,948	2,046	2,000	2,160	2,139	2,265	2,425	2,579	2,762
Nebraska	3,932	3,582	4,009	4,433	4,491	4,774	4,972	5,261	5,529	5,876	6,292
Nevada	2,550	2,448	2,677	3,005	3,124	3,580	3,988	4,519	5,232	5,552	5,953
New Hampshire	2,394	2,380	2,767	3,142	3,458	4,056	4,691	5,195	5,278	5,604	6,004
New Jersey	23,889	23,602	26,956	29,802	31,909	36,840	40,506	44,851	46,055	48,798	52,304
New Mexico	2,705	2,767	3,137	3,409	3,481	3,822	3,904	4,164	4,282	4,557	4,880
New York	48,886	48,355	53,579	59,251	64,161	72,710	77,852	85,754	88,884	94,230	100,974
North Carolina	12,148	11,636	13,478	15,225	15,939	17,920	19,390	21,232	21,914	23,303	24,961
North Dakota	1,655	1,577	1,859	1,889	1,790	1,887	1,911	1,913	1,981	2,107	2,256
Ohio	27,795	26,012	28,197	30,657	32,030	35,304	37,174	40,057	40,814	43,309	46,404
Oklahoma	7,651	8,154	8,692	9,101	9,106	9,548	9,219	9,666	9,836	10,457	11,202
Oregon	6,567	5,965	6,546	7,047	7,298	8,074	8,659	9,522	10,131	10,751	11,523
Pennsylvania	30,447	29,305	31,941	34,297	36,306	40,029	42,896	46,530	48,353	51,264	54,939
Rhode Island	2,458	2,308	2,635	2,896	3,059	3,434	3,818	4,184	4,307	4,566	4,893
South Carolina	5,946	5,806	6,662	7,391	7,523	8,440	9,141	9,979	10,025	10,662	11,420
South Dakota	1,397	1,320	1,478	1,641	1,586	1,737	1,837	1,941	2,065	2,198	2,354
Tennessee	9,664	9,188	10,670	11,605	11,984	13,315	14,475	15,690	16,167	17,184	18,408
Texas	41,233	42,581	46,162	50,557	52,461	55,196	54,847	58,498	60,804	64,528	69,155
Utah	2,994	2,965	3,384	3,669	3,666	3,940	4,095	4,409	4,597	4,887	5,234
Vermont	1,068	1,056	1,184	1,286	1,384	1,603	1,775	1,974	2,109	2,239	2,400
Virginia	13,945	13,939	15,802	17,305	18,228	20,565	22,428	24,690	25,614	27,204	29,144
Washington	12,540	11,727	12,607	13,232	13,718	15,607	16,431	18,296	19,516	20,696	22,186
West Virginia	3,970	3,790	4,088	4,183	4,135	4,459	4,524	4,746	4,752	5,054	5,413
Wisconsin	11,312	11,085	12,019	13,153	13,448	15,080	15,957	17,187	18,145	19,249	20,628
Wyoming	1,537	1,504	1,540	1,537	1,537	1,543	1,420	1,530	1,601	1,705	1,827
Dist. of Columbia	2,146	2,070	2,310	2,506	2,660	2,973	3,097	3,252	3,207	3,401	3,645

Source: Total U.S. taxes as shown in the Budget of the U.S. Government for Fiscal Years 1982 through 1992. Computations of total tax burden by state were made by the Tax Foundation.

The average Federal tax burden for citizens in the top ten states is $5,503. On the other hand, the lowest burdens, averaging $2,900, are borne by taxpayers in the following states:

Mississippi	$2,456	Louisiana	$2,970
West Virginia	2,782	S.Carolina	2,994
Utah	2,800	Idaho	3,010
New Mexico	2,915	Alabama	3,066
Arkansas	2,924	S. Dakota	3,078

Citizens in the top ten states pay an average per capita tax burden that is

Table 5

Percent of Total Federal Tax Burden by State

Fiscal Years 1982-1992

State	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
U.S. Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Alabama	1.27	1.24	1.28	1.27	1.25	1.23	1.22	1.21	1.19	1.19	1.19
Alaska	.28	.32	.35	.33	.32	.29	.26	.26	.28	.28	.28
Arizona	1.11	1.10	1.13	1.17	1.20	1.23	1.24	1.23	1.21	1.21	1.21
Arkansas	.69	.68	.71	.71	.68	.68	.66	.66	.66	.66	.66
California	11.84	11.84	12.02	12.15	12.36	12.59	12.85	12.98	13.23	13.23	13.23
Colorado	1.38	1.48	1.47	1.43	1.42	1.36	1.31	1.27	1.27	1.27	1.27
Connecticut	1.83	1.85	1.84	1.87	1.92	1.97	2.03	2.11	2.07	2.07	2.07
Delaware	.29	.29	.29	.28	.30	.30	.32	.32	.33	.33	.33
Florida	4.33	4.38	4.53	4.68	4.76	4.91	5.17	5.13	5.22	5.22	5.22
Georgia	1.98	2.01	2.10	2.17	2.18	2.26	2.29	2.29	2.28	2.28	2.28
Hawaii	.43	.43	.44	.42	.41	.42	.42	.44	.46	.46	.46
Idaho	.32	.31	.32	.31	.31	.30	.29	.28	.29	.29	.29
Illinois	5.82	5.64	5.38	5.42	5.31	5.28	5.23	5.28	5.26	5.26	5.26
Indiana	2.24	2.16	2.11	2.10	2.05	2.00	1.99	1.97	1.95	1.95	1.95
Iowa	1.23	1.13	1.11	1.14	1.02	.99	.97	.96	.96	.96	.96
Kansas	1.07	1.09	1.08	1.05	1.01	1.00	.95	.94	.92	.92	.92
Kentucky	1.21	1.20	1.20	1.20	1.13	1.10	1.10	1.08	1.08	1.08	1.08
Louisiana	1.73	1.78	1.71	1.62	1.52	1.39	1.27	1.24	1.21	1.21	1.21
Maine	.37	.37	.39	.39	.38	.39	.42	.42	.42	.42	.42
Maryland	2.09	2.08	2.09	2.14	2.25	2.21	2.24	2.27	2.29	2.29	2.29
Massachusetts	2.67	2.74	2.81	2.88	2.92	2.99	3.10	3.16	3.05	3.04	3.04
Michigan	4.02	3.76	3.72	3.70	3.83	3.97	3.86	3.80	3.77	3.77	3.77
Minnesota	1.80	1.75	1.75	1.76	1.73	1.74	1.78	1.75	1.76	1.75	1.75
Mississippi	.71	.72	.71	.70	.66	.64	.63	.62	.60	.60	.60
Missouri	1.97	1.95	1.99	1.99	1.99	1.96	1.96	1.90	1.87	1.87	1.87
Montana	.31	.30	.30	.29	.27	.26	.24	.24	.24	.24	.24
Nebraska	.66	.62	.62	.62	.60	.57	.56	.55	.55	.55	.55
Nevada	.43	.42	.42	.42	.42	.43	.45	.47	.52	.52	.52
New Hampshire	.40	.41	.43	.44	.42	.49	.53	.54	.53	.53	.53
New Jersey	4.00	4.06	4.18	4.20	4.29	4.44	4.58	4.66	4.61	4.60	4.60
New Mexico	.45	.48	.49	.48	.47	.46	.44	.43	.43	.43	.43
New York	8.18	8.33	8.31	8.35	8.62	8.75	8.80	8.90	8.89	8.88	8.88
North Carolina	2.03	2.00	2.09	2.15	2.14	2.16	2.19	2.20	2.19	2.20	2.20
North Dakota	.28	.27	.29	.27	.24	.23	.22	.20	.20	.20	.20
Ohio	4.65	4.48	4.37	4.32	4.30	4.25	4.20	4.16	4.08	4.08	4.08
Oklahoma	1.28	1.40	1.35	1.28	1.22	1.15	1.04	1.00	.98	.99	.99
Oregon	1.10	1.03	1.01	.99	.98	.97	.98	.99	1.01	1.01	1.00
Pennsylvania	5.10	5.05	4.95	4.83	4.88	4.82	4.85	4.83	4.84	4.83	4.83
Rhode Island	.41	.40	.41	.41	.41	.41	.43	.43	.43	.43	.43
South Carolina	1.00	1.00	1.03	1.04	1.01	1.02	1.03	1.04	1.00	1.01	1.01
South Dakota	.23	.23	.23	.23	.21	.21	.21	.20	.21	.21	.21
Tennessee	1.62	1.58	1.65	1.64	1.61	1.60	1.64	1.63	1.62	1.62	1.62
Texas	6.90	7.33	7.16	7.13	7.05	6.65	6.20	6.07	6.08	6.08	6.08
Utah	.50	.51	.52	.52	.49	.47	.46	.46	.46	.46	.46
Vermont	.18	.18	.18	.18	.19	.19	.20	.20	.21	.21	.21
Virginia	2.33	2.40	2.45	2.44	2.45	2.48	2.54	2.56	2.56	2.56	2.56
Washington	2.10	2.02	1.95	1.87	1.84	1.88	1.86	1.90	1.95	1.95	1.95
West Virginia	.66	.65	.63	.59	.56	.54	.51	.49	.48	.48	.48
Wisconsin	1.89	1.91	1.86	1.85	1.81	1.82	1.80	1.78	1.82	1.81	1.81
Wyoming	.26	.26	.24	.22	.21	.19	.16	.16	.16	.16	.16
Dist. of Columbia	.36	.36	.36	.35	.36	.36	.35	.34	.32	.32	.32

Source: Total U.S. taxes as shown in the Budget of the U.S. Government for Fiscal Years 1982-1992. Computations of the tax burden by state were made by the Tax Foundation.

$2,603 higher than citizens in the lowest per capita states. The recent trend in the per capita federal tax burdens is shown in Figure 1. Table 3 details this trend by state.

Total Tax Burden By State

Predictably, total federal tax contributions (see Table 1) are heaviest in the most populous states:

	(Millions)		(Millions)
California	$140,271	Pennsylvania	$51,264
New York	94,230	New Jersey	48,798
Texas	64,528	Ohio	43,309
Illinois	55,743	Michigan	39,936
Florida	55,380	Massachusetts	32,280

These "top ten" taxpaying states will send Uncle Sam a total of $625.7 billion in FY1991.

The lowest tax burdens will be in the following nine states, plus the District of Columbia:

	(Millions)		(Millions)
Wyoming	$1,705	Alaska	$3,006
N. Dakota	2,107	Idaho	3,064
S. Dakota	2,198	D.C.	3,401
Vermont	2,239	Delaware	3,475
Montana	2,579	Maine	4,484

While the top ten will pay 59 percent of all federal taxes, the bottom ten will pay 2.7 percent of the total federal tax burden, a total of $28.3 billion.

Tax Burden Trend

The total federal tax burden by state for fiscal years 1982 through 1992 is presented in Table 4. Table 5 provides a ten-year history of each state's annual percentage of the total federal tax burden. For example, Californians were paying 11.8 percent of the total federal tax bill in 1982 but are estimated to pay 13.2 percent of the tab by 1992. By comparison, Texas' share of the federal tax burden will have declined from 6.9 percent in 1982 to an estimated 6.1 percent by 1992.

Tax Burden Outlook

It should be noted that the federal tax burden calculation does not count federal budget deficits. For example, the estimated $318 billion federal budget deficit for 1991 is not included in the 1991 calculation. However, continued deficit spending does fuel a growing national debt, now over $3.4 trillion. The cost of servicing this debt will cause future increases in the tax burden and a weaker economy. The cost to the nation of the current recession, Operation Desert Storm, and the S&L bailout is unknown because the tab on each one is still growing. But even the conservative estimates run into tens of billions for each and does not augur well for the possibility of a decline in the federal tax burden.

* * *

Brief Allocation Description

The major bases used for estimating the various federal taxes by state appear in Table 6. The actual federal tax burden borne by the residents of each state is calculated based on its shares of these specific taxes. The allocation bases are used to indicate the final incidence of federal taxes, as opposed to their original impact.

For example, since distilleries are concentrated in Kentucky, wineries in California, and breweries in New York and Wisconsin, the concentrated collections of taxes on whiskey, wine, and beer in these states do not reflect the national consumption pattern and actual tax incidence. Therefore, the Tax Foundation's allocation methodology uses, in part, actual state-specific consumption data to determine where the

alcoholic beverage taxes are actually borne. This allocation approach is used for the other segregable federal tax components.[2]

Table 6

Bases for Allocating the Federal Tax Burden by State

Fiscal Years 1990-1992

Tax	Base
Federal Fund Taxes	
Individual income:	Individual income tax liability (1988) adjusted by 1989 changes in personal income. (Internal Revenue Service)
Corporate income:	1/2 personal income[a] (1989) 1/2 property income[b] (1989) (Department of Commerce)
Alcoholic beverages:	1/2 total adult population; July 1, 1989 1/2 consumption data (1989) (U.S. Brewers Association)
Tobacco:	Total adult population; July 1, 1989
Estate and gift:	Six-year total of estate and gift tax collections (1984-89) (Internal Revenue Service)
Other excises and customs:	Disposable personal income (1989) (Department of Commerce)
Trust Fund Taxes	
Old-age, survivors, disability, and hospitalization insurance; railroad retirement; and Federal unemployment insurance:	1/2 personal income (1989) 1/2 personal contributions for social insurance[c] (1989) (Department of Commerce)
State unemployment insurance taxes deposited with Treasury:	Unemployment tax collections (1989) (Department of Labor)
Highway trust fund: Gasoline, diesel, special fuels, lubricating oil, and heavy vehicle use	Motor fuel excise data (1989) (Department of Transportation)
Trucks and buses, parts and accessories, tires, tubes, and tread rubber:	Truck and bus excise data (1989) (Department of Transportation)
Airport and airway trust fund, black lung disability trust fund, and other trust funds:	Disposable personal income (1989) (Department of Commerce)

[a] Personal income by place of residence.
[b] Largely intangible interest and dividends income.
[c] Adjusted for place of residence.
Source: Tax Foundation.

[2] Further explanation of the methodology — its derivation, uses, and limitations — is contained in Tax Foundation's Research Aid No. 5, *Federal Tax Burdens in States and Metropolitan Areas*, 36 pp., $10 + $2 p/h.

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